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F.B.I. Said to Study Charges

By JEFF GERTH

The Federal Bureau of Investigation is conducting a preliminary investigation into \$120,000 paid to a private detective working for Dr. Armand Hammer, chairman and chief executive officer of the Occidental Petroleum Corporation, according to law enforcement officials.

The officials say the F.B.I. has received allegations that the payments were connected to an attempt by Occidental to gain approval from city officials for oil drilling in the Los Angeles area.

The detective, Herbert Itkin, has been retained in the past by Dr. Hammer to handle sensitive business and political affairs for both himself and Occidental, according to associates of Mr. Itkin. Mr. Itkin has also previously had a controversial relationship with both the F.B.I. and the Central Intelligence Agency.

Neither Dr. Hammer nor Mr. Itkin was available for comment.

The F.B.I. investigation, which is being handled by its political corruption unit, was set off when a former associate of Mr. Itkin's made records available to the F.B.I. last year showing that \$120,000 was paid on Occidental's behalf to Mr. Itkin.

The bureau has been told by informants, law enforcement officials say, that the payments were connected with Mr. Itkin's assignment by Dr. Hammer to help change the vote of several city councilmen on the oil drilling issue.

The F.B.I. is seeking to determine what Mr. Itkin did with the money. The investigation by the bureau, according to law enforcement officials, is a preliminary one, to determine whether there is substance to the allegations.

The drilling issue centers on land in the Pacific Palisades area of Los Angeles, formerly a public park but obtained by Occidental in the late 1960's through a complicated and controversial exchange of land involving the city and state. After many years of lobbying, Occidental gained approval to drill for oil in 1978 from the City Council, but

was blocked by Mayor Tom Bradley's veto.

Later that year, the 15-member Council voted, by 9 to 6, to override the veto, failing by one vote to gain the necessary two-thirds majority. The council has had numerous close votes on the Occidental drilling issue, with the 9-to-6 split existing for most of 1977 and 1978.

Mr. Itkin was an important informant for both the F.B.I. and C.I.A. during the 1960's in cases involving organized crime and political corruption, including cases involving top mobsters and city officials in New York. Evidence in one of the cases indicated that

Mr. Itkin, in his role of informer, kept for himself money from bribes and kickbacks, a charge Mr. Itkin denied.

Mr. Itkin subsequently relocated in Los Angeles as a private detective and up until the mid-1970's the F.B.I. continued to pay rent for his office.

Dr. Hammer has been one of Mr. Itkin's most important clients. Among his assignments was one to uncover evidence backing Dr. Hammer after his indictment for illegal campaign contributions, according to associates of Mr. Itkin. In 1975, Dr. Hammer pleaded guilty to illegally concealing \$54,000 in contributions to the 1972 re-

on Occidental

election campaign of former President Nixon.

One problem facing investigators is that most of Mr. Itkin's communications with Dr. Hammer concerning the City Council's drilling vote were oral, according to associates of Mr. Itkin.

A spokesman for Occidental said that Dr. Hammer was out of the country and that the corporation "knows nothing about the allegations which appeared in The Wall Street Journal."

Yesterday, The Wall Street Journal reported that the F.B.I. was investigating allegations of \$120,000 paid on behalf of Occidental to Mr. Itkin.